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## DECISION



THE COMPTROLLER GENERAL  
OF THE UNITED STATES  
WASHINGTON, D. C. 20548

FILE: B-189440

DATE: November 23, 1977

MATTER OF: Arvol D. Hays Construction Company

### DIGEST:

1. IFB for replacement of doors failed to provide spaces for required unit prices for part of work, failed to state how such prices would be considered in bid evaluation, and did not fully advise bidders of extent of work required. Therefore, cancellation of defective IFB before award pursuant to ASPR § 2-404.1(b)(1) (1976 ed.) was proper, since award would have prejudiced bidders and may not have met Government's needs.
2. Where IFB was properly canceled, and there is no evidence of arbitrary and capricious action by Government toward firm claiming bid preparation costs, claim is denied.

Invitation for bids (IFB) No. DAKF24-77-B-0030 was issued on April 8, 1977, by the Department of the Army for the replacement of deteriorated wood doors at Fort Polk, Louisiana. The work included the removal of existing doors, removal and replacement as directed by the contracting officer of any deteriorated door frame material that would inhibit the installation of new doors, and the installation of new metal doors. Bidders were required to submit a unit price for each of nine items, representing nine groups of different size doors. A single award would be made to the lowest bidder for the total of the nine items. The bid form listed the item numbers under the heading "Replace Deteriorated Wood Swing Shop Doors," and provided spaces for unit and extended prices for each item number and for a total estimated amount.

Section 2 of the specifications concerned the removal and disposition of the existing doors and of deteriorated material. Paragraph 5 of section 2 stated:

"PAYMENT. No separate payment shall be made for work done under this section and all costs in connection therewith shall be included in the appropriate unit bid price."

Section 3 of the specifications covered the furnishing and installation of the new metal doors. Paragraph 9 of section 3 was entitled "MEASUREMENT," and subparagraphs 9.1 - 9.4 stated the methods of measurement for the replacement of any deteriorated framing lumber (9.1), siding (9.2), trim lumber (9.3), or gypsumboard sheathing (9.4) that was removed. Subparagraph 9.5 concerned measurement for door replacement. Paragraph 10 stated:

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"PAYMENT for the work covered under this section of the specifications shall be made at the appropriate contract unit price indicated in paragraph: MEASUREMENT, above and shall include all removal and disposal of existing materials."

However, paragraph 9, "MEASUREMENT," had no place for the entry of unit prices for section 3 work.

Three bids were received in response to the IFB. Arvol D. Hays Construction Co. (Hays) submitted the low total estimated amount as entered on the bid form.

The solicitation was subsequently canceled pursuant to Armed Services Procurement Regulation (ASPR) § 2-404.1(b)(i) and (ii) (1976 ed.). Section (a) of ASPR § 2-404.1 (1976 ed.) provides that, to preserve the integrity of the competitive bidding system, an IFB should not be canceled after opening unless a "compelling" reason exists to do so. ASPR § 2-404.1(b)(i) and (ii) (1976 ed.) state:

"(b) \* \* \* Invitations for bids may be canceled after opening but prior to award when such action is consistent with (a) above and the contracting officer determines in writing that--

"(i) inadequate or ambiguous specifications were cited in the invitation;

"(ii) specifications have been revised \* \* \*."

The bases for cancellation of the IFB under ASPR § 2-404.1(b) (1976 ed.) were that no place had been provided for the entry of unit prices for work described in subparagraphs 9.1 - 9.4 of section 3 (arguably, the cost of subparagraph 9.5 work would by its nature be included in the unit prices on the bid form); there was no provision that such costs should be included in the bid form unit prices; and no estimated amount of replacement work was listed to guide bidders. The Army states:

"\* \* \* it is inconceivable to us how the respective bidders estimated the cost with any accuracy, or competed on a common basis, regarding the amount of replacement framing, siding and trim lumber and gypsum board sheathing required \* \* \*."

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Hays protests the cancellation of the IFB, contending that the solicitation clearly required bids only for removal and replacement of existing doors, not deteriorated material. Hays contends that subparagraphs 9.1 - 9.4:

"\* \* \* established the unit item of measurement that would be used in the four named items in the event that during the removal and reconstruction of the items \* \* \* pertaining to door frames, there were areas of material deteriorated to a point that the Contracting Officer determined to be unsound and replacement of some or all of these named items in varying quantities was required. If said work was directed, the contractor, upon request from the Contracting Officer, would prepare a proposal to cover the additional work deemed necessary by the Contracting Officer. His proposal would be priced in accordance with the standard set forth in items 9.1 through 9.4."

Hays further argues that it would be impractical to even attempt to arrive at unit prices for subparagraphs 9.1 - 9.4 work. Hays suggests that the unit cost of replacing all four items on one door would necessarily differ from the cost of replacing one of the four items, which would also involve removal and replacement of the acceptable materials to gain access to the deteriorated material. Hays asserts that its position is supported by the language in paragraph 10 of section 3, which it interprets as applying only to subparagraph 9.5.

Our Office will not ordinarily question the broad authority of a contracting officer to reject all bids and readvertise when a "compelling" reason exists to do so. Spickard Enterprises, Inc., 54 Comp. Gen. 145 (1974), 74-2 CPD 121. However, we have held that the use of deficient provisions is not a "compelling" reason to cancel an IFB and readvertise unless award under the solicitation as issued would not serve the actual needs of the Government and would prejudice other bidders. GAF Corporation, 53 Comp. Gen. 586 (1974), 74-1 CPD 68.


Here, we agree with the Army that cancellation of the IFB was warranted. The terms of a solicitation must be stated clearly and precisely, so that prospective bidders can know what is required and can compete on an equal basis. See 10 U.S.C. § 2305 (1970); Boston Pneumatics, Inc., B-180798, November 14, 1974, 74-2 CPD 260. Spaces for the entry of unit prices for section 3 work, which we believe was required by the clear language of paragraph 10 of that section

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(contrast with paragraph 5 of section 2) were not provided; bidders were not advised of the probable extent of such work; and it was not clear how prices under section 3 would affect the evaluation of bids. In this connection, since a contract must be awarded to the low bidder on the basis of all work required, 50 Comp. Gen. 583 (1971), Hays' suggestion that unit prices for section 3 work were to be provided after award is unacceptable, since in such case it would be impossible to properly determine the low bidder. Moreover, in view of our position that unit prices were in fact required for work under subparagraphs 9.1 - 9.4 of section 3, Hays' argument that they would be impractical to compute for bidding purposes further supports the view that the IFB was defective.

It is clear from the above that neither the method of bid evaluation nor the agency's requirements were adequately defined in the IFB. Thus, award thereunder would clearly have been prejudicial to bidders and would not necessarily have satisfied the Government's needs. The protest is, therefore, denied.

Hays also requests reimbursement for bid preparation costs incurred under the IFB. However, since there is no evidence of arbitrary and capricious action by the Government toward Hays (see Keco Industries, Inc. v. United States, 428 F.2d 1233, 1240 (1970), and since we have concluded that the IFB was properly canceled, the claim is denied. See T.C. Daeuble, B-186889, December 21, 1976, 76-2 CPD 510.

  
Deputy Comptroller General  
of the United States